

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE:	
IOWA LAKES ELECTRIC COOPERATIVE	DOCKET NO. WRU-00-74-978
MIDAMERICAN ENERGY COMPANY	DOCKET NO. WRU-00-75-156
ALLIANT ENERGY GROUP (IES UTILITIES INC.)	DOCKET NO. WRU-00-78-151
ALLIANT ENERGY GROUP (INTERSTATE POWER CO)	DOCKET NO. WRU-00-79-150

**ORDER GRANTING REQUESTS FOR WAIVERS OF
199 IAC 19.4(11) and 20.4(12), RELATING TO BILL RENDERING DATES**

(Issued November 21, 2000)

On October 12, 2000, Iowa Lakes Electric Cooperative (Iowa Lakes) filed an application for waiver of 199 IAC 20.4(12) to the extent that the rule provides that a bill is considered rendered to a customer when it is deposited in the U. S. mail with postage prepaid. The bill rendering date is then used to determine when a payment is considered late. Iowa Lakes states that the Utilities Board's (Board) rules do not specifically prevent utilities from utilizing electronic commerce. However, the Board administrative rules were adopted without any expectation or anticipation of the concept of electronic commerce. By defining the bill rendering date as the date the

bill is mailed or otherwise physically delivered, the rule prevents billing by electronic means.

The rule, 199 IAC 20.4(12), provides in relevant part as follows:

The bill shall be considered rendered to the customer when deposited in the U.S. mail with postage prepaid. If delivery is by other than U.S. mail, the bill shall be considered rendered when delivered to the last-known address of the party responsible for payment.

Iowa Lakes states that it is planning to implement an electronic billing program. The billing program will be an option available to customers who desire to participate on a voluntary basis. The program would not be mandatory for any customer. Iowa Lakes will continue to comply with 199 IAC 20.4(9) "a" to "i", which lists all the items to be shown on a customer's bill. Iowa Lakes requests the Board waive only that part of 199 IAC 20.4(12) that requires mailing or physical delivery of a customer's bill. This would allow those customers who elect an optional electronic billing service to have their bill considered rendered at the time the billing is sent by the utility to a valid electronic mail address.

On October 24, 2000, MidAmerican Energy Company (MidAmerican) filed a request for joinder in the Iowa Lakes application. MidAmerican also requests waiver of the same rule applicable to natural gas bills, 199 IAC 19.4(11). On October 30, 2000, Interstate Power Company (Interstate) and IES Utilities Inc. (IES), divisions of Alliant Energy, also filed petition for waiver of both rules. MidAmerican, Interstate, and IES are in the process of developing optional electronic billing methods and will require the same waivers.

Pursuant to 199 IAC 1.3, the Board will waive the pertinent rules. Enhancing customer service by allowing customers another payment option benefits the customers who prefer this option and should have no impact on customers who do not choose this option. This may be a more efficient means of billing and has the potential to reduce certain billing costs (hard copy and mailing costs). Application of the rule would pose an undue hardship on Iowa Lakes, MidAmerican, IES, and Interstate by preventing them from offering this potentially lower-cost billing option to their customers. Further, waiver of the rule will not prejudice the substantial legal rights of any person, because these electronic billing programs will be optional, not mandatory, for the customer. The provisions of the rule relating to determination of the bill rendering date are not mandated by statute or another provision of law, and substantially equal protection of the public health, safety, and welfare will be afforded to the customers of these utilities by the continued availability of regular billing mechanisms. Thus, the Board finds that all of the requirements of 199 IAC 1.3 are met and the waivers can be granted.

Issuing waivers to Alliant and MidAmerican for both of their electric and gas utilities will mean that a very large number of the state's energy customers will have the option of billing through E-Commerce. This option has the potential to become a preferred option for a significant number of customers. If the practice of electronic billing serves customers well, the Board will consider amendment of its rules to better reflect this business practice.

IT IS THEREFORE ORDERED:

1. The application for waiver of 199 IAC 20.4(12) filed on October 12, 2000, by Iowa Lakes Electric Cooperative is granted.
2. The request for joinder and application for waiver of 199 IAC 19.4(11) and 20.4(12) filed on October 24, 2000, by MidAmerican Energy Company is granted.
3. The petition for waiver of 199 IAC 19.4(11) and 20.4(12) filed on October 30, 2000, by Interstate Power Company division of Alliant Energy Group is granted.
4. The petition for waiver of 199 IAC 19.4(11) and 20.4(12) filed on October 30, 2000, by IES Utilities Inc. division of Alliant Energy Group is granted.

UTILITIES BOARD

/s/ Allan T. Thoms

ATTEST:

/s/ Raymond K. Vawter, Jr.
Executive Secretary

/s/ Diane Munns

Dated at Des Moines, Iowa, this 21st day of November, 2000.